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FEB 06 2015

PUBLIC SERVICE
COMMISSION

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February 5, 2015

HAND DELIVERED

Hon. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40601

Re: Jessamine South Elkhorn Water District
Case No. 2014-00084

Dear Mr. Derouen:

Please find enclosed for filing an original and ten copies of Forest Hills Residents' Association, Inc.'s Response to Applicant's Motion to Incorporate Documents in the above-captioned case. We would appreciate your placing it in the file and bringing it to the attention of the Commission. Thank you in advance for your assistance.

Sincerely,

Robert M. Watt, III

rmw:rmw
Enclosures
cc: Counsel of Record (w/encl.)

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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF JESSAMINE-SOUTH)	
ELKHORN WATER DISTRICT FOR A)	
CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO)	CASE NO. 2014-00084
CONSTRUCT AND FINANCE A)	
WATERWORKS IMPROVEMENT)	
PROJECT PURSUANT TO KRS 278.020)	
AND 278.300)	

**FOREST HILLS RESIDENTS' ASSOCIATION, INC.'S RESPONSE TO APPLICANT'S
MOTION TO INCORPORATE DOCUMENTS**

Forest Hills Residents' Association, Inc. ("Forest Hills") respectfully submits this Response in opposition to the above-referenced motion of Jessamine-South Elkhorn Water District ("JSEWD"). JSEWD seeks to incorporate a significant amount of evidence that Kentucky-American Water Company, who is not a party to this case, submitted to the Commission a decade (or longer) ago. Because it is not relevant to whether JSEWD has satisfied its burden of proof regarding the certificate of public convenience and necessity it is seeking, and would unduly complicate the case to the prejudice of Forest Hills, Forest Hills respectfully requests the motion be denied. In further support of its response, Forest Hills states as follows.

JSEWD seeks to incorporate by reference into this case: (1) Kentucky-American Water Company's application in Case No. 2005-00546 (which JSEWD incorrectly identifies as seeking a certificate of public convenience and necessity) and a storage capacity analysis attached as an exhibit thereto, as well as (2) a storage analysis prepared by Kentucky-American Water Company dated November 15, 2002 that was allegedly filed in Case Nos. 2003-00478 and 2004-

00254. Case No. 2003-00478 pertained to accounting accruals, and in Case No. 2004-00254 the Commission permitted Kentucky-American Water Company to build a ground storage tank that provided the utility with a minimum of one-half of its system's average daily requirement in storage with the other half to be provided through standby production and pumping facilities. JSEWD was not a party to any of these Kentucky-American Water Company proceedings; similarly, Kentucky American-Water Company is not a party to this matter.¹

Kentucky-American Water Company's sole connection to the instant matter is that JSEWD purchases water from the utility. In Case No. 2012-00470, Forest Hills questioned JSEWD regarding a number of storage alternatives, including whether JSEWD had determined whether Kentucky-American Water Company could provide storage. In that case, and in the present proceeding, JSEWD put testimony into the record regarding the feasibility of same. Kentucky-American Water Company's storage analyses that were performed ten and thirteen years ago have no relevancy to this narrow question, or regarding whether JSEWD can satisfy its burden in this case.

Forest Hills has no objection to JSEWD referencing Commission orders, but attempting to rely on evidence submitted by a utility that is not a party to this proceeding is irrelevant and would unduly complicate the proceeding. For example, JSEWD seeks to rely on demand projections that Kentucky-American Water Company prepared in **2002** as proof of JSEWD's need for a 750,000 gallon elevated storage tank.² How can a JSEWD witness testify regarding Kentucky-American Water Company's projections, such as answering the basic question of how

¹ In Case No. 2012-00470, JSEWD attempted to rely on evidence Kentucky-American Water Company had submitted in prior cases, including certain of the information at issue in this motion. Upon Forest Hills' motion to strike, the Commission struck the portions of JSEWD's brief that referred to Kentucky-American Water Company's prior filings that had not been incorporated by reference into the case.

² See JSEWD's Application in this matter at Exhibit "A," page 3 at footnote 5.

those projections have changed in the last thirteen years? It cannot. It is palpably prejudicial for JSEWD to make untested claims regarding evidence that was submitted by another utility a decade prior in cases that have long been closed. In short, the only demand projections that are relevant to this case are JSEWD's.

For these reasons, Forest Hills Residents' Association, Inc. respectfully requests the Commission to deny Jessamine-South Elkhorn Water District's motion.

Dated: February 5, 2015

Respectfully submitted,

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By *Robert Watt*

*Counsel for Forest Hills Residents'
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Certificate of Service

This is to certify that the foregoing pleading has been served by mailing a copy of same, postage prepaid, to the following person on this 5th day of February 2015:

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